

MORGAN, LEWIS & BOCKIUS LLP
Richard W. Esterkin (SBN 70769)
300 South Grand Ave.
Los Angeles, CA 90071-3132
Tel: +1.213.612.2500
Fax: +1.213.612.2501
richard.esterkin@morganlewis.com

Attorneys for AV Solar Ranch 1, LLC

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO

In re
PG&E CORPORATION

-and-

**PACIFIC GAS AND ELECTRIC
COMPANY,**

Debtors.

Case No. 19-30088 (DM)

Chapter 11

(Lead Case) (Jointly Administered)

**JOINDER OF AV SOLAR RANCH 1,
LLC TO LIMITED CURE OBJECTION
OF CALPINE AND ITS SUBSIDIARIES
TO THE DEBTORS' PROPOSED
ASSUMPTION OF EXECUTORY
CONTRACTS AND UNEXPIRED
LEASES UNDER THE DEBTORS'
AND SHAREHOLDERS' JOINT
CHAPTER 11 PLAN OF
REORGANIZATION DATED MARCH
16, 2020**

☐ Affects PG&E Corporation

☒ Affects Pacific Gas and Electric Company

☐ Affects both Debtors

** All papers shall be filed in the Lead
Case, No. 19-30088 (DM)*

Hearing Date: May 27, 2020
Time: 10:00 a.m. (PST)

Courtroom: Hon. Dennis Montali
450 Golden Gate Avenue
16th Floor, Courtroom 17
San Francisco, CA 94102

AV Solar Ranch 1, LLC ("AVSR") hereby files this this *Joinder* (the "Joinder") to the
Limited Cure Objection of Calpine and Its Subsidiaries to the Debtors' Proposed Assumption of
Executory Contracts and Unexpired Leases under the Debtors' and Shareholders' Joint Chapter

11 Plan of Reorganization Dated March 16, 2020 [Dkt. No. 7214] (the "Calpine Objection")¹ and respectfully represents the following:

BACKGROUND

1. AVSR and Pacific Gas and Electric Company (the "Utility") are parties to a Power Purchase and Sale Agreement pursuant to which the Utility agreed to purchase electric power generated by AVSR (the "Agreement").

2. The Plan provides that the Debtors intend to assume, among other things, all Energy Agreements, including the Agreement. See Plan at § 8.1(b).

3. However, the Debtors' *Schedule of Executory Contracts and Unexpired Leases to be Assumed Pursuant to the Plan and Proposed Cure Amounts* [Dkt. No. 7037] (the "Cure Notice"), does not provide for the full satisfaction of all amounts due and owing (both pre- and post-petition) as cure payments under the Agreement.

4. Given this discrepancy, AVSR – along with a number of other Energy Agreement counterparties – engaged with the Debtors and ultimately reached a solution to enable AVSR, along with other Energy Agreement counterparties, to reserve all rights and resolve such discrepancies in an orderly manner following confirmation of the Debtors' plan. However, the Debtors have not yet filed the notice reflecting this resolution; thereby necessitating this joinder and reservation of rights.

JOINDER

5. Accordingly, AVSR hereby joins the Calpine Objection to reserve and preserve its rights with respect to the Agreement, Plan, Cure Amounts, and cure process generally. Like Calpine, AVSR supports the Debtors' efforts to assume all Energy Agreements – but AVSR agrees that the Plan, Cure Notice, and the terms of the Debtors' proposed assumption must be modified to comply with the Bankruptcy Code.

////

////

¹ Capitalized terms used but not defined herein shall have the meanings ascribed to such terms in the Calpine Objection.

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28

RESERVATION OF RIGHTS

6. AVSR further joins, and incorporate by reference, as if fully stated herein, the reservation of rights included in the Calpine Objection.

CONCLUSION

WHEREFORE, AVSR respectfully requests entry of an order granting: (i) this Joinder; and (ii) such other and further relief as is just and proper.

Dated: May 15, 2020

MORGAN, LEWIS & BOCKIUS LLP

By: /s/ Richard W. Esterkin
Richard W. Esterkin (SBN 70769)
Attorneys for AV Solar Ranch 1, LLC